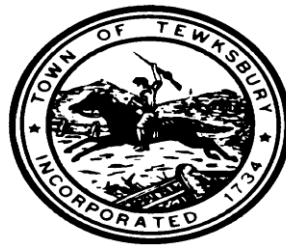


FY16 Water and Sewer Enterprise Budgets CIP FY2016-FY2020

Board of Selectmen

March 10, 2015



Water Enterprise Budget and CIP Meeting



- Enterprise Funds
 - Water Enterprise Budgets
 - Water Enterprise Capital
 - Water Rates Recommendation
 - Sewer Enterprise Budget
 - Sewer Enterprise Capital
 - Sewer Rate Recommendation
- Capital Improvement Plan FY2016-FY2020

Water Enterprise Fund





Water Enterprise Fund Budget

Water Distribution Budget

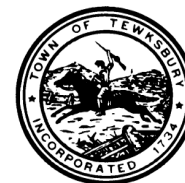
	Fiscal Year 2015	Fiscal Year 2016	Inc.(Dec)
Salaries:	575,609	528,334	(47,275)
Operating:	242,692	297,481	54,789
Capital Outlay:	-	-	-
Total	818,301	825,815	7,514

Major Budget Changes:

Salaries: No salary increases in the budget except step increases and longevity changes. Salary decreased since there was a retirement and the new hire salary is less. There was 27,073 budgeted for sick leave buy back that does not need to be budgeted again in FY16.

Operating: Expenses: Repairs and Maintenance increased 20,000 for disposal of asbestos pipe; Leases and Contracts increased 11,809 for a new software to assist residents in monitoring usage; Meters increased 25,000 to purchase new meters for new residential and commercial structures

Capital Outlay: No change



Water Enterprise Fund Budget

Water Filtration Budget

	Fiscal Year 2015	Fiscal Year 2016	Inc.(Dec)
Salaries:	811,138	790,958	(20,180)
Operating:	1,178,116	1,178,783	667
Capital Outlay:	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL	1,989,254	1,969,741	(19,513)

Major Budget Changes:

Salaries: No salary increase in the budget except step increases or longevity changes. Salary decrease was due to moving a Project Manager's salary and position to Engineering and allocating the costs to the General Fund.

Operating: Utilities increased 5,000 based upon projection for pumping. Repairs and Maint. increased 1,165. Lease and Contracts increased 4,892 mainly in the area of backflow and surveys inspections. Chemical decreased 13,848 based upon projected pumping. Residual Disposal increased 2,518 based upon the projected disposal of sludge at the closest landfill we were using to dispose of the residuals.

Capital Outlay: No change



Water Enterprise Fund Budget

Combined Water Enterprise Budgets

	Fiscal Year 2015	Fiscal Year 2016	Inc.(Dec)
Salaries:	1,386,747	1,319,292	(67,455)
Operating:	1,420,808	1,476,264	55,456
Capital Outlay:	<u>-</u>	<u>-</u>	<u>-</u>
Total	2,807,555	2,795,556	(11,999)
Other Budgeted Expenses:			
Debt P&I	2,591,297	2,352,442	(238,855)
Capital Projects/Exp.	-	235,300	235,300
Indirect Expenses	873,177	965,027	91,850
Use of Retained Earnings	<u>875,000</u>	<u>400,000</u>	<u>(475,000)</u>
Total	4,339,474	3,952,769	(386,705)
Grand Total Water	7,147,029	6,748,324	(398,705)

Current Balance Retained Earnings: 1,949,353

Water Enterprise Fund Budget



- Future Capital Improvements

Fiscal Year 2016 – Fiscal Year 2020: **17,797,500**

- **13,100,000** - Water Treatment Plant Upgrade
- **2,900,000** - Water Distribution Improvement
- **665,000** - Water Tanks Maintenance/Upgrades
- **625,000** - Hydrants Replacement
- **327,500** - Vehicle Replacement
- **145,000** - Engineering and Design/Water Distribution
- **35,000** - Water Treatment Plant Maint. and Upgrades

*Over the next Five Years the Plan is to spend 3,827,500 on Capital Projects.
If retained earnings are available funds will be borrowed for major projects.*

Water Enterprise Fund Budget



- Capital Improvements

Fiscal Year 2016: **13,735,000**

- **13,100,000** - Water Treatment Plant Upgrade (Borrowing)
- **400,000** - Water Distribution Improvement (Retained Earnings)
- **125,000** - Hydrants Replacement (Raise & Appropriate)
- **45,000** - Engineering and Design/Water Distribution
(Raise & Appropriate)
- **65,000** - Water Tanks Maintenance/Upgrades (Raise & Appropriate)



Water Enterprise Fund Budget

Debt Service as percent of Water Budget:

• FY2015	1,780,094	33%
• FY2016 (Proj.)	2,352,442	37%
• FY2017 (Proj.)	3,180,321	45%
• FY2018 (Proj.)	2,926,009	41%
• FY2019 (Proj.)	2,641,485	38%
• FY2020 (Proj.)	2,299,684	34%
• FY2021 (Proj.)	2,162,971	33%



Water Enterprise Fund Budget

Projected Revenues

	<u>FY2015</u>	<u>FY2016</u>	<u>Inc(Dec)</u>
Total Revenue User Fees	6,357,608	6,678,429	320,820
90% Collection User Fees	5,721,848	6,010,586	288,738
Water Liens	650,000	650,000	-
Connection Fees	15,000	15,000	-
Meter Replacement Fee	-	-	-
Investment Income	-	-	-
Other Income	-	-	-
Prior Year Surplus	-	-	-
Total Projected Revenue	6,386,848	6,675,586	288,738



Water Enterprise Fund Budget

Water Budget/Revenue:

	Budget	Revenue
FY08	4,983,397	4,857,100
FY09	5,384,337	5,343,224
FY10	5,711,691	4,686,966
FY11	6,058,981	7,365,757
FY12	5,805,016	7,079,266
FY13	5,961,130	7,012,514
FY14	5,913,590	6,406,916
FY15 (Projected)	6,272,028	6,386,848
FY16 (Projected)	6,348,324	6,675,586



Water Enterprise Fund Budget

Proposed Water Rates:

Current Tier	Current Rate (\$)
0-34 gals	6.94 per 1000
35-70	9.82 per 1000
71-140	12.80 per 1000
140+	14.89 per 1000
Proposed Tier	Proposed Rate (\$)
0-34 gals	7.29 per 1000
35-70	10.31 per 1000
71-140	13.44 per 1000
140+	16.63 per 1000



Water Enterprise Fund Budget

Water FY16 Increase			
Average Usage Four Tiers 35,000 Increments			
Usage	Current Rate	Proposed Rate	\$ Increase
25,000	173.50	182.25	8.75
35,000	245.78	258.17	12.39
55,000	442.18	464.37	22.19
65,000	540.38	567.47	27.09
75,000	653.48	686.22	32.74
90,000	845.48	887.82	42.34
100,000	973.48	1,022.22	48.74
150,000	1,634.38	1,716.12	81.74
200,000	2,378.88	2,497.62	118.74
250,000	3,123.38	3,279.12	155.74
300,000	3,867.88	4,060.62	192.74
400,000	5,356.88	5,623.62	266.74
500,000	6,845.88	7,186.62	340.74
700,000	9,823.88	10,312.62	488.74
1,000,000	14,290.88	15,001.62	710.74

Approximately 55,000 gallons is the Town average use and approximately 90,000 gallons per year is the State average use.



Water Enterprise Fund Budget

Rate Comparison

- Based on 90,000 Gallons per year
- State Average 498 (2012)
- State Range 113-1,556 (2012)
- State Median 476 (2012)
- MWRA Average 549 (2014)
- Tewksbury (current) 845 (2015)
- Tewksbury (proposed) 888 (2016)

Comments Water Rates

- Impact of Water Treatment Plant
- Projection from Previous Fiscal Year
- Improving Rate Projections
- Retained Earnings

Sewer Enterprise Fund





Sewer Enterprise Fund Budget

Sewer Enterprise Budget

	<u>FY2015</u>	<u>FY2016</u>	<u>Inc(Dec)</u>
Salaries	322,548.89	296,393.00	(26,155.89)
Operating	390,050.00	392,356.00	2,306.00
Lowell Sewer	1,330,000.00	1,541,202.00	211,202.00
Capital Outlay	-	-	-
Debt P&I	3,016,318.00	3,201,957.55	185,639.55
Capital R&A	-	-	-
Indirect Expenses	<u>482,559.28</u>	<u>505,387.00</u>	<u>22,827.72</u>
	5,541,476.17	5,937,295.55	395,819.39

Major Budget Changes:

Salaries: No salary increase in the budget except step increases or longevity changes. Salary decrease was due to moving a Project Manager's salary and position to Engineering and allocating the costs to the General Fund.

Operating: Utilities increased based upon projected pumping. Leases and Contract increased 9,206 for a new software to assist residents in monitoring usage; Easements decreased since we don't project as many issues; Lowell Sewer increased 211,202 based upon usage.

Capital Outlay: No change



Sewer Enterprise Fund Budget

- Future Capital Improvements
Fiscal Year 2016 – Fiscal Year 2020: **3,017,500**
 - **1,870,000 - Collections System Upgrades**
 - **770,000 - Inflow and Infiltration I/I control**
 - **327,500 - Fleet and Equipment Replacement Program**
 - **50,000 - Sewer Pump Station Improvements**
- Capital Improvements Fiscal Year 2016:
120,000 - Collections System Upgrades (Retained Earnings)

All Capital is Projected to be funded by Sewer Retained Earnings.

Sewer Retained Earnings Balance 4,691,159.00

:



Sewer Enterprise Fund Budget

Debt Service as percent of Sewer Budget:

• FY2015	3,016,318.00	54%
• FY2016 (Proj.)	3,201,957.55	54%
• FY2017 (Proj.)	3,314,774.47	54%
• FY2018 (Proj.)	3,220,205.40	52%
• FY2019 (Proj.)	3,325,129.25	52%
• FY2020 (Proj.)	3,429,435.35	51%
• FY2021 (Proj.)	3,422,934.15	50%
• FY2022 (Proj.)	3,380,876.05	49%
• FY2023 (Proj.)	3,402,705.00	48%
• FY2023 (Proj.)	3,395,416.25	47%

Sewer Enterprise Fund Budget



Projected Revenues

	FY2015	FY2016	Inc(Dec)
Total User Fees	5,278,885.53	5,745,213.92	466,328.39
90% Collection	4,750,996.98	5,170,692.53	419,695.55
New Connections	56,551.58	59,932.26	3,380.68
Sewer Liens/Interest/Fees	500,000.00	500,000.00	-
Connection Fees	172,799.63	-	(172,799.63)
Application Fees	7,000.00	7,000.00	-
Prior Year Surplus	-	-	-
Transfer from the GF	<u>263,794.02</u>	<u>253,724.07</u>	<u>(10,069.95)</u>
Total Projected Revenue	5,751,142.21	5,991,348.86	240,206.65



Sewer Enterprise Fund Budget

Sewer Budget/Revenue:

	Budget	Revenue
FY09	6,552,728	7,548,167
FY10	8,036,304	7,182,548
FY11	8,123,336	8,508,415
FY12	5,801,543	7,886,458
FY13	6,086,796	6,756,716
FY14	6,103,578	7,025,929
FY15 (Projected)	5,541,478	5,708,002
FY16 (Projected)	5,937,296	5,991,349

In FY11 1,437,375 was used from Sewer Retained Earnings to balance the budget



Sewer Enterprise Fund Budget

- Proposed Sewer Rate

In-Town :

Current Tier	Current Rate (\$)	Proposed Rate (\$)
0-35 gals	7.07 per 1000	7.49 per 1000
35-70	9.10 per 1000	9.65 per 1000
70-140	12.45 per 1000	13.20 per 1000
140+	14.57 per 1000	15.44 per 1000

- Proposed Sewer Rate

Out of Town and Exempt Property:

Current Tier	Current Rate (\$)	Proposed Rate (\$)
0-35gals	18.00 per 1000	20.16 per 1000
35-70	22.34 per 1000	25.02 per 1000
70-140	28.66 per 1000	32.10 per 1000
140+	31.52 per 1000	35.30 per 1000



Sewer Enterprise Fund Budget

Sewer Increase FY16			
Average Usage Four Tiers 35,000 Increments			
Usage	Current Rate	Proposed Rate	\$ Increase
25,000	176.75	187.25	10.50
35,000	249.48	264.31	14.83
45,000	340.48	360.81	20.33
55,000	431.48	457.31	25.83
65,000	522.48	553.81	31.33
75,000	630.23	668.06	37.83
90,000	816.98	866.06	49.08
100,000	941.48	998.06	56.58
150,000	1,585.18	1,680.46	95.28
200,000	2,313.68	1.06	1.04
250,000	3,042.18	3,224.46	182.28
300,000	3,770.68	3,996.46	225.78
350,000	4,499.18	4,768.46	269.28
400,000	5,227.68	5,540.46	312.78
450,000	5,956.18	6,312.46	356.28
500,000	6,684.68	7,084.46	399.78
600,000	8,141.68	8,628.46	486.78
700,000	9,598.68	10,172.46	573.78
1,000,000	13,969.68	14,804.46	834.78

Approximately 55,000 gallons is the Town average use and approximately 90,000 gallons per year is the State average use.



Sewer Enterprise Fund Budget

- Comparison Other Communities
 - Based on 90,000 Gallons per year
 - State Average 690 (2012)
 - State Range 210-1,440 (2012)
 - State Median 646 (2012)
 - MWRA Average 925 (2014)
 - Tewksbury (current) 817 (2015)
 - Tewksbury (proposed) 866 (2016)

Comments Sewer Rates

- Impact of the \$640,000
- Projection from Previous Fiscal Year
- Improving Rate Projections
- Retained Earning

Capital Improvement Plan FY2016-FY2020



**TOWN OF TEWKSBURY
CAPITAL PLANNING PROGRAM
FISCAL YEAR 2016-2020
SUMMARY**

DEPARTMENT PROJECT/PROGRAM	FUNDING SOURCE	FY2016	FY2017	FY2018	FY2019	FY2020	Total
All Departments							
Facility and Equipment Upgrades and Improvements	R&A/Stab. Fund/Free Cash	-	50,000	50,000	50,000	50,000	200,000
Total All Departments		-	50,000	50,000	50,000	50,000	200,000
Fire Department							
New Ambulance and Equipment	R&A/Stab. Fund/Free Cash	145,000	-	145,000	-	-	290,000
Pick-Up Truck	R&A/Stab. Fund/Free Cash	41,000	-	-	-	-	41,000
Firefighting Structural Gear	R&A/Stab. Fund/Free Cash	110,000	-	-	-	-	110,000
Response/Administrative Vehicle (Car 1)	R&A/Stab. Fund/Free Cash	-	-	35,000	-	-	35,000
Command Vehicle	R&A/Stab. Fund/Free Cash	-	48,000	-	-	-	48,000
New Ladder Truck	Borrowing/Stab. Fund/Free Cash	-	1,100,000	-	-	-	1,100,000
New Center Fire Station	Borrowing	-	8,105,000	-	-	-	8,105,000
Total Fire Department		296,000	9,253,000	180,000	-	-	9,729,000
Public Works Department							
Stormwater and Drainage							
Stormwater and Drainage Maintenance and Repair	R&A/Stab. Fund/FC/Borrowing/CH90	145,000	120,000	55,000	20,000	270,000	610,000
Stormwater and Drainage Improvement Projects	R&A/Stab. Fund/FC/Borrowing/CH90	-	150,000	120,000	145,000	-	415,000
Stormwater and Drainage Project Development	R&A/Stab. Fund/FC/Borrowing/CH90	55,000	35,000	85,000	45,000	-	220,000
Stormwater and Drainage System Compliance	R&A/Stab. Fund/FC/Borrowing/CH90	400,000	450,000	200,000	200,000	200,000	1,450,000
Total Stormwater and Drainage		600,000	755,000	460,000	410,000	470,000	2,695,000
Public Works Department							
Transportation							
Pavement Management Preventative Maintenance	R&A/Stab. Fund/FC/Borrowing/CH90	50,000	50,000	250,000	190,000	250,000	790,000
Pavement Management Reconstruction/Resurfacing	R&A/Stab. Fund/FC/Borrowing/CH90	919,000	1,050,000	395,000	370,000	570,000	3,304,000
Traffic Intersection Signal Improvement Projects	R&A/Stab. Fund/FC/Borrowing/CH90	120,000	100,000	-	-	-	220,000
Traffic Sign Improvement	R&A/Stab. Fund/FC/Borrowing/CH90	140,000	-	-	-	-	140,000
Sidewalks	R&A/Stab. Fund/FC/Borrowing/CH90	-	-	-	-	-	-
Transportation Project Development/Design	R&A/Stab. Fund/FC/Borrowing/CH90	40,000	-	-	25,000	-	65,000
Total Transportation		1,269,000	1,200,000	645,000	585,000	820,000	4,519,000
Public Works Department							
Facilities/Misc.							
Parks	R&A/Stab. Fund/FC/Borrowing/CH90	165,000	200,000	175,000	-	-	540,000
DPW Garage and Bridling	R&A/Stab. Fund/FC/Borrowing/CH90	160,000	1,092,000	20,000	125,000	-	1,397,000
Town-Wide	R&A/Stab. Fund/FC/Borrowing/CH90	75,000	-	-	-	-	75,000
Tree and Stump Removal Town-Wide	R&A/Stab. Fund/FC/Borrowing/CH90	140,000	-	-	-	-	140,000
Total Facilities/Misc.		540,000	1,292,000	195,000	125,000	-	2,152,000
Public Works Department							
Fleet and Equipment							
Vehicles and Equipment	R&A/Stab. Fund/Free Cash	280,000	111,000	96,000	170,000	170,000	827,000
Total Fleet and Equipment		280,000	111,000	96,000	170,000	170,000	827,000
Grand Total DPW		2,689,000	3,358,000	1,396,000	1,290,000	1,460,000	10,193,000
Grand Total General Fund		2,985,000	12,661,000	1,626,000	1,340,000	1,510,000	20,122,000

TOWN OF TEWKSBURY	
CAPITAL PLANNING PROGRAM	
FISCAL YEAR 2016-2020	
SUMMARY	

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TOWN OF TEWKSBURY						
CAPITAL PLANNING PROGRAM						
FISCAL YEAR 2016-2020						
GENERAL FUND PROJECTS THAT WILL BE FUNDED BY RAISE AND APPROPRIATE, TRANSFER FROM STABILIZATION FUND OR FREE CASH						
PROJECT/PROGRAM	FY2016	FY2017	FY2018	FY2019	FY2020	Total
All Departments						
Facility and Equipment Upgrades and Improvements	-	-	50,000	50,000	50,000	150,000
Total All Departments	-	-	50,000	50,000	50,000	150,000
Fire Department						
New Ambulance and Equipment	145,000	-	145,000	-	-	290,000
Pick-Up Truck	41,000	-	-	-	-	41,000
Firefighting Structural Gear	110,000	-	-	-	-	110,000
Response/Administrative Vehicle (Car 1)	-	-	35,000	-	-	35,000
Command Vehicle	-	48,000	-	-	-	
New Ladder Truck	-	1,100,000	-	-	-	
Total Fire Department	296,000	1,148,000	180,000	-	-	1,624,000
Public Works Department						
Stormwater and Drainage						
Stormwater and Drainage System Compliance	400,000	450,000	200,000	200,000	200,000	1,450,000
	400,000	450,000	200,000	200,000	200,000	1,450,000
Public Works Department						
Facilities/Misc.						
Parks	165,000	200,000	175,000	-	-	540,000
DPW Garage and Bridling	160,000	-	20,000	125,000	-	305,000
Town-Wide	75,000	-	-	-	-	75,000
Tree and Stump Removal Town-Wide	140,000	-	-	-	-	140,000
Total Facilities/Misc.	540,000	200,000	195,000	125,000	-	1,060,000
Public Works Department						
Fleet and Equipment						
Vehicles and Equipment	280,000	111,000	96,000	170,000	170,000	827,000
Total Fleet and Equipment	280,000	111,000	96,000	170,000	170,000	827,000
Grand Total DPW	1,220,000	761,000	491,000	495,000	370,000	3,337,000
Grand Total General Fund	1,516,000	1,909,000	721,000	545,000	420,000	5,111,000

**TOWN OF TEWKSBURY
CAPITAL PLANNING PROGRAM
FISCAL YEAR 2016-2020
PROJECTS FUNDED BY CHAPTER 90**

DEPARTMENT PROJECT/PROGRAM	FY2016	FY2017	FY2018	FY2019	FY2020	Total
Public Works Department						
Stormwater and Drainage						
Stormwater and Drainage Maintenance and Repair	145,000	120,000	55,000	20,000	270,000	610,000
Stormwater and Drainage Improvement Projects	-	150,000	120,000	145,000	-	415,000
Stormwater and Drainage Project Development	55,000	35,000	85,000	45,000	-	220,000
Total Stormwater and Drainage	200,000	305,000	260,000	210,000	270,000	1,245,000
Public Works Department						
Transportation						
Pavement Management Preventative Maintenance	50,000	50,000	250,000	190,000	250,000	790,000
Pavement Management Reconstruction/Resurfacing	919,000	1,050,000	395,000	370,000	570,000	3,304,000
Traffic Intersection Signal Improvement Projects	120,000	100,000	-	-	-	220,000
Sidewalks	-	-	-	-	-	-
Transportation Project Development/Design	40,000	-	-	25,000	-	65,000
Total Pavement Management	1,129,000	1,200,000	645,000	585,000	820,000	4,379,000
Grand Total Per Year	1,329,000	1,505,000	905,000	795,000	1,090,000	
Grand Total All Projects All Years						5,624,000

**TOWN OF TEWKSBURY
CAPITAL PLANNING PROGRAM
FISCAL YEAR 2016-2020**

ENTERPRISE FUND PROJECTS TO BE FUNDED BY RAISE AND APPROPRIATE OR TRANSFER FROM RETAINED EARNINGS

DEPARTMENT PROJECT/PROGRAM	FY2016	FY2017	FY2018	FY2019	FY2020	Total
Public Works Department Sewer						
Inflow and Infiltration I/I control	-	250,000	20,000	250,000	250,000	770,000
Sewer Pump Station Improvements	-	-	-	-	50,000	50,000
Collections System Upgrades	120,000	-	1,750,000	-	-	1,870,000
Fleet and Equipment Replacement Program	-	-	-	-	-	-
Public Works Department	120,000	250,000	1,770,000	250,000	300,000	2,690,000
Public Works Department Water						
Hydrant Replacement Program	125,000	125,000	125,000	125,000	125,000	625,000
Eng./Design Water Distribution System Imp.	45,000	-	50,000	-	50,000	145,000
Water Distribution System Improvements	400,000	1,500,000	-	1,000,000	-	2,900,000
Water Tank Maint. And Upgrades	65,000	35,000	650,000	-	-	750,000
	635,000	1,660,000	825,000	1,125,000	175,000	4,420,000
Public Works Department Water/Sewer						
Fleet and Equipment Replacement Program	-	240,000	125,000	120,000	170,000	655,000
	755,000	2,150,000	2,720,000	1,495,000	645,000	
						7,765,000

**TOWN OF TEWKSBURY
CAPITAL PLANNING PROGRAM
FISCAL YEARS 2016-2020
SUMMARY**

Capital Plan Summary	FY2016	FY2017	FY2018	FY2019	FY2020	Total
General Fund	2,985,000	12,661,000	1,626,000	1,340,000	1,510,000	20,122,000
Sewer Enterprise Fund	120,000	250,000	1,770,000	250,000	300,000	2,690,000
Water Enterprise Fund	13,735,000	1,660,000	885,000	1,125,000	175,000	17,580,000
Water/Sewer Enterprise Fund	-	240,000	125,000	120,000	170,000	655,000
Total Capital Plan Funded	16,840,000	14,811,000	4,406,000	2,835,000	2,155,000	41,047,000
Annual Capital Improvement Plan Cost						
R&A or Transfer from Stabilization Fund or Free Cash	1,516,000	1,909,000	721,000	545,000	420,000	5,111,000
Chapter 90	1,329,000	1,505,000	905,000	795,000	1,090,000	5,624,000
General Fund Debt Service	172,444	849,692	830,400	811,108	791,816	3,455,459
R&A or Transfer from Sewer Enterprise Fund	120,000	250,000	1,770,000	250,000	300,000	2,690,000
R&A or Transfer from Water Enterprise Fund	635,000	1,660,000	825,000	1,125,000	175,000	4,420,000
R&A or Transfer Sewer/Water Enterprise Fund	-	240,000	125,000	120,000	170,000	655,000
Water Enterprise Funds Debt Service	245,625	1,133,969	1,109,406	1,084,844	1,060,281	4,634,125
Total Fiscal Year Cost	4,018,069	7,547,660	6,285,806	4,730,952	4,007,097	26,589,584

Comments on Capital Plan

- General Fund Projects Under Funded
- Pavement Management
- Stormwater Permit
- Facilities
- Sidewalks